Jennerex and Transgene Enter into an Exclusive Partnership for the Development and Commercialization of JX-594 for the Treatment of Cancers

San Francisco, California and Illkirch, France, September 8, 2010--Jennerex, Inc., a private clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class targeted oncolytic products for cancer, and Transgene (NYSE Euronext Paris: FR0005175080), a bio-pharmaceutical company specialized in the development of immunotherapeutic products, today announced that they have entered into an exclusive partnership to develop and commercialize JX-594 for the treatment of solid tumors in Europe, the Commonwealth of Independent States (CIS) and the Middle East.

JX-594, Jennerex's lead cancer biotherapeutic product, has shown anticancer activity and a well-tolerated safety profile in Phase 1 and Phase 2 clinical trials to date[1]. Objective tumor response has been demonstrated in a variety of cancers including liver, colon, kidney, lung and melanoma.

Jennerex has awarded Transgene exclusive rights to develop and commercialize JX-594 in Europe, the CIS and the Middle East. Jennerex and Transgene will co-develop JX-594 worldwide, with Transgene responsible for development costs and for clinical development in its licensed territories, pursuant to the JX-594 global development plan. Transgene is responsible for commercialization and has the right to manufacture JX-594 in the Transgene territory. As part of this agreement Transgene has made an upfront equity investment in Jennerex. Jennerex is further eligible to earn a total of up to $116 million in development and registration milestones as well as double digit royalties on a tiered structure. In addition, Jennerex has an option for co-promotion and profit-sharing in the five major European countries.

The development plan will focus initially on Hepatocellular Carcinoma (HCC), both in first line and in second line, and on colorectal cancer. Transgene and Jennerex intend to initiate a large randomized controlled phase 2b/3 clinical program in HCC patients. A Phase 2 study in colorectal cancer patients who are refractory or intolerant to Erbitux® is planned as well.

"We are extremely pleased to have such a strong collaborative partner for JX-594. Transgene is an ideal partner for this product given their expertise in oncology and in the development of virus-based immunotherapeutic products. We look forward to working together with our new partners to realize the full potential of this innovative product," stated David H. Kirn, M.D., President and Chief Executive Officer of Jennerex. "We believe that JX-594 has the potential to significantly improve and prolong

[1] A bibliography of JX-594 clinical publications and conference abstracts can be found on the Jennerex website.

the lives of patients with liver, colorectal, and other types of cancer based on its clinical profile to date. By applying Transgene's depth of knowledge and experience in the development of immunotherapies, as well as its established relationships with European regulatory authorities, we believe that we can achieve JX-594 marketability more quickly."

Philippe Archinard, Chairman and Chief Executive Officer of Transgene stated: "We are enthusiastic about our partnership with Jennerex on JX-594—a product that has shown promising anti-cancer activity to date in patients. This partnership agreement fits perfectly our three pillar based development strategy and is an exciting addition to our pipeline of immunotherapy products, further contributing to its maturity. With a time to market in Europe forecast for 2015 and a European market potential of over $1bn, JX-594 has the capacity to provide us with a very substantial return on our investment, should the product meet all of its milestones. From a financial perspective, this investment in JX-594 is included in our five year plan and is consistent with our goal to market our first product by 2015 without additional fund raising. Together with Jennerex, we will work to advance JX-594 in order to offer this important new treatment option to cancer patients in Europe and surrounding countries."

About JX-594

JX-594 is a proprietary, engineered oncolytic virus that is designed to selectively target and destroy cancer cells. JX-594 is designed to attack cancer through three diverse mechanisms of action: the lysis of cancer cells through viral replication, the reduction of the blood supply to tumors through vascular targeting and destruction, and the stimulation of the body's immune response against cancer cells. Phase 1 and Phase 2 clinical trials in multiple cancer types to date have shown that JX-594, delivered either directly into tumors or systemically, induces tumor shrinkage and/or necrosis and is well-tolerated by patients. Objective tumor response has been demonstrated in a variety of cancers including liver, colon, kidney, lung and melanoma.

About Liver cancer and Hepatocellular Carcinoma (HCC)

Hepatocellular carcinoma (HCC) is the fifth most common cancer and the third most common cause of cancer-related deaths world-wide with about 660,000 patients dying from the disease annually. Most HCC cases develop on the background of chronic liver cirrhosis; in regions with the highest incidence of HCC, East Asian and African countries, the majority of cases are related to hepatitis B; in developed Western countries and Japan the disease is commonly related to hepatitis C, heavy alcohol consumption and non-alcoholic fatty liver due to metabolic syndromes such as diabetes and obesity. There is accumulating evidence that the incidence of HCC is increasing in Western countries. Despite recent advances, the treatment of advanced HCC remains a significant unmet medical need with a median expected survival under current therapies of less than one year.

About Jennerex

Jennerex, Inc. is a clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class, breakthrough targeted oncolytic products for cancer. The Company's lead product JX-594 is currently in two mid-stage clinical trials in patients with primary liver cancer—an international, randomized, Phase 2 dose-response clinical trial, and a Phase 2 study in combination with sorafenib. Published studies designed to establish optimal dose levels and the safety profile of JX-594 have shown its ability to selectively target a variety of common cancer tumor types. JX-594 and other product candidates under development are designed to attack cancer tumors through three diverse mechanisms of action: the lysis of cancer cells through viral replication, the reduction of the blood supply to tumors through vascular targeting and destruction and the stimulation of the body's immune response against cancer cells. Jennerex is headquartered in San Francisco and has related

research and development operations in Ottawa, Canada and Pusan, South Korea. For more information about Jennerex, please visit www.jennerex.com.

About Transgene

Transgene, a member of the Institut Mérieux Group, is a publicly traded French biopharmaceutical company dedicated to the development of therapeutic vaccines and immunotherapeutic products in oncology and infectious diseases, and has four compounds in clinical development: TG4010 having completed Phase 2 trials, TG4001/RG3484 in Phase 2b trial, TG4040 in Phase 2 trial and TG4023 in Phase 1 trial. Transgene has concluded strategic agreements for the development of two of its immunotherapy products:

- a license agreement with Roche for the development of TG4001/RG3484 to treat HPV-mediated diseases, and
- an option agreement with Novartis for the development of TG4010 to treat various cancers.

Transgene has bio-manufacturing capacities for viral-based products. Additional information about Transgene is available on the Internet at www.transgene.fr.

Cautionary note for Transgene regarding forward-looking statements

This press release contains forward-looking statements referring to the joint clinical testing and development and commercial potential of JX-594. Clinical testing and successful product development and commercialization depend on a variety of factors, including the timing and success of future patient enrolment, the risk of unanticipated adverse patient reactions, regulatory approval and the level of demand for the product by the medical community. Results from future studies with more data may show less favorable outcomes than prior studies, and there is no certainty that product candidates will ever demonstrate adequate therapeutic efficacy or achieve regulatory approval or commercial success. In addition, forward-looking statements regarding product development, testing and marketing costs are by the nature subject to uncertainties as a result of unforeseen difficulties and expenses which may arise, and future product development costs may exceed current expectations. For further information on the risks and uncertainties involved in the testing and development of Transgene's product candidates, see Trangene's Document de Référence on file with the French Autorité des marchés financiers on its website at http://www.amf-france.org and Transgene's website at www.transgene.fr .

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